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The Director of Central Intelligence
Washington, D.C. 20505

NIC #07077-84
19 December 1984

National Intelligence Council

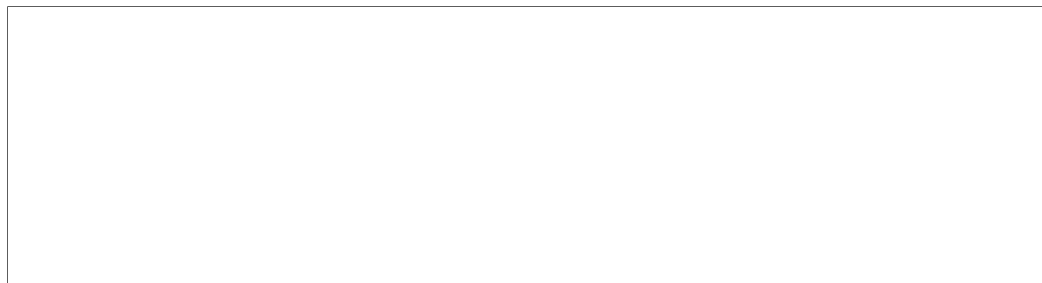
MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: David B. Low
Acting National Intelligence Officer for Economics

SUBJECT: Background Papers for NSC Meeting on Stockpiles, Goals,
and Mobilization

1. The NSC meeting on stockpiles, goals and mobilization will review the various working group reports prepared by NSC looking at the ability of the United States to fight a 3-front war--Europe, the Middle East, and Korea--after a 1-year mobilization. The effort examines the overall ability of the US economy to support such a war.

- CIA's main contribution to the effort is a study on the reliability of foreign suppliers of strategic minerals in wartime. DIA supplied the main inputs for this effort.
- The study concludes that of 26 key countries, all but two--China and India--would be willing to continue to supply us in time of war.
- Three other countries--Zaire, Zambia, and Zimbabwe--were also judged unreliable suppliers because of the potential for effective and prolonged disruption of supplies by guerrilla or terrorist groups.



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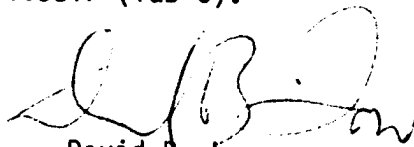
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2. The results of the study depend heavily on the assumptions that sea lanes remain open and that we suffer a low attrition rate of ships supplying the European theatre. These assumptions were mandated by Congress and are only two of the many key assumptions in the larger effort. Changes in only a few of these obviously could alter what is essentially a positive outcome.

3. NSC may want to use the meeting to show that the US would not have trouble coping with wartime mobilization. This would allow the government to sell off some of its strategic mineral stockpiles next year and allocate the funds realized in order to increase oil stockpiles. In any case, I do not see the Agency as having a major role in analyzing the potential for wartime disruption of strategic minerals in the future. It seems mainly to be a domestic issue.

4. I have attached two memoranda by Maurice Ernst relating to the stockpile study (Tab A) and our industrial mobilization capability (Tab B), as well as the stockpile study itself (Tab C).



David B. Low

Attachments:
As stated

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DCI/NIC/A/NIO/Econ (19 Dec 84)

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